

# **EXHIBIT C**

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

NIKE, INC.,

Plaintiff,

vs.

Case No. 1:22-cv-00983  
VEC

STOCKX LLC,

Defendant.

---

VIDEO DEPOSITION OF JOHN L. HANSEN  
San Francisco, California  
Thursday, August 31, 2023  
Volume 1

STENOGRAPHICALLY REPORTED BY:

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JOB NO. 6015329

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DEPOSITION OF JOHN L. HANSEN, taken on  
behalf of the Defendant, at Debevoise & Plimpton  
LLP, 650 California Street, 31st Floor,  
San Francisco, California, commencing at 9:05 a.m.,  
Thursday, August 31, 2023 before REBECCA L. ROMANO,  
a Certified Shorthand Reporter, Certified Court  
Reporter, Registered Professional Reporter.

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MR. MILLER: Objection.

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MR. RIEHL: We can bring Mr. Adams back

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MR. MILLER: Objection.

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THE DEPONENT: I am not certain I

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understand that question.

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MR. MILLER: Objection.

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MR. MILLER: Objection.

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MR. MILLER: Objection.

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THE DEPONENT: Not that I have quantified. I do cite to some examples, again, where customers or consumers contacted Nike, and in at least one instance, they suspected they had an inauthentic good and StockX informed that it was of poor manufacturing quality on behalf of Nike.

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A. Yes, those are examples.

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MR. RIEHL: Okay. Let's look at some. (Exhibit 11 was marked for identification by the Court Reporter and is attached hereto.)

Q. (By Mr. Riehl) The reporter has handed you Deposition Exhibit 11.

This is one of the documents that you cite in footnote 109, right?

A. It is.

Q. Do you see the sender of this email writes: "I purchased a pair of the new Oski SB Dunks on stockx for about \$200 and I fear they are fake"?

A. I see that.

1           THE DEPONENT: I do address the issue  
2           that there is a guarantee of authenticity and that  
3           that's important to consumers. There's evidence  
4           that I have reviewed -- documents, testimony --  
5           that the authenticity of the good is important to  
6           consumers and helps drive consumer purchases.

7           So there is evidence and -- and  
8           information related to that issue, but I haven't  
9           independently tried to quantify the amount that  
10          would be due specifically to that.

11          Q.     (By Mr. Riehl) In your reports, you  
12          didn't offer an opinion about whether StockX would  
13          have sold -- I'm sorry, strike that.

14          In your reports, you didn't offer an  
15          opinion about whether there would have been fewer  
16          trades of Nike sneakers on StockX if the false  
17          advertising claims at issue had not been made,  
18          right?

19          MR. MILLER: Objection to the form.

20          THE DEPONENT: I don't think I use those  
21          words, no.

22          Q.     (By Mr. Riehl) Did you offer that  
23          opinion in other words?

24          MR. MILLER: Same objection.

25          THE DEPONENT: No. I identified the



1 volume of shoes that were subject to the false  
2 advertising or sold in connection with the false  
3 advertising. That's what actually happened. I  
4 haven't attempted to compare that to some other  
5 hypothetical world.

6 Q. (By Mr. Riehl) And you haven't tried to  
7 compare the number of counterfeit Nike sneakers  
8 that were traded on StockX to what might have  
9 happened in any hypothetical alternative world in  
10 your reports, right?

11 MR. MILLER: Objection.

12 THE DEPONENT: I don't think we know the  
13 true volume or magnitude of counterfeits that have  
14 actually transacted on StockX. That -- that's part  
15 of the challenge of the false advertising related  
16 to authenticity and passing of inauthentic goods.

17 Q. (By Mr. Riehl) But you haven't offered  
18 an opinion in your reports that that volume would  
19 have been lower if StockX had not made the false  
20 advertising claims at issue, right?

21 MR. MILLER: Objection.

22 THE DEPONENT: Is your question, do I use  
23 those words? I don't, but I do address, in my  
24 expert reports, the importance of authenticity and  
25 claims of authenticity to consumers.

1 Q. (By Mr. Riehl) But you --

2 A. So it does relate -- is responsive to  
3 your question. There is evidence and information  
4 that that is something that is important to  
5 consumers. I don't think consumers on StockX go  
6 there to purchase inauthentic goods, and when they  
7 engage in a transaction, they are guaranteed an  
8 authentic good. They intend to purchase on that  
9 authentic good, is my understanding.

10 Q. But you haven't analyzed how many more  
11 sales of Nike sneakers would have occurred on  
12 StockX if they hadn't made the false advertising  
13 claims at issue, right?

14 MR. MILLER: Objection.

15 THE DEPONENT: That's not the manner in  
16 which I conducted my analysis. I identified the  
17 sales that actually occurred, that are connected to  
18 the false statements.

19 Q. (By Mr. Riehl) And you don't present any  
20 evidence in your reports that there would have been  
21 any additional -- or, I'm sorry, any fewer sales of  
22 Nike sneakers on StockX if StockX hadn't made the  
23 allegedly false claims at issue, right?

24 MR. MILLER: Objection to form.

25 THE DEPONENT: It's not something I

1 attempted to quantify. But, again, I cited to and  
2 discuss evidence about the importance of  
3 authenticity that goes to that issue. It's just  
4 not something I've attempted to reduce to  
5 quantification.

6 Q. (By Mr. Riehl) And when you say you  
7 haven't reduced it to quantification, you haven't  
8 determined whether it actually happens at all, but  
9 the trade-in volume would be affected, right?

10 MR. MILLER: Objection to form.

11 THE DEPONENT: I haven't attempted to put  
12 a number on that. There -- again, there's  
13 information, documents that I cite that relate to  
14 that issue, which indicates that authenticity is  
15 important to consumers and is one of the driving  
16 factors, so I would certainly expect that to impact  
17 the level of commerce.

18 Q. (By Mr. Riehl) And in not putting a  
19 number on it, you haven't ruled out that the number  
20 is zero, right?

21 MR. MILLER: Objection.

22 THE DEPONENT: That's inconsistent with  
23 the evidence and information I have seen. It's  
24 also inconsistent with Dr. Vigil's own opinion.

25 MR. RIEHL: All right. Mr. Adams, I'm

1 That, I would agree, are improperly deductible.

2 Q. (By Mr. Riehl) I guess what I'm after  
3 though, in the language we just looked at in  
4 paragraph 55 of your first amended expert report,  
5 you refer to StockX earning ill-gotten profits.

6 And what I'm wondering is whether that  
7 [REDACTED] is your opinion of the amount of  
8 those ill-gotten profits or if it's something else?

9 A. I would word this as, this is the amount  
10 of profits subject to disgorgement that was earned  
11 in connection with the alleged false advertising  
12 statements.

13 Q. And do you have an opinion about whether  
14 the amount of ill-gotten profits StockX derived  
15 from falsely and/or misleadingly claiming that  
16 every Nike or Jordan good sold on its platform was  
17 100 authentic [sic] was [REDACTED] as opposed  
18 to some other figure potentially?

19 MR. MILLER: Objection.

20 THE DEPONENT: That's not how I  
21 characterized it. I'm not connecting those two  
22 statements.

23 Paragraph 55 has the assumption of  
24 liability, both for the false statements and that  
25 counterfeit sales did occur. In my view, those

1 time.

2 Q. Yes.

3 At this point, I'm trying to  
4 understand -- I'm sorry.

5 At this point, I'm not trying to  
6 understand why you did what you did. I'm trying to  
7 understand what you did.

8 And the question is: The sales that you  
9 looked at to generate the [REDACTED]  
10 figure did not pass through a filter of whether  
11 they would have occurred but for the alleged false  
12 advertising statements, right?

13 MR. MILLER: Objection.

14 THE DEPONENT: I believe I told you what  
15 I did, which is I identified the sales that were  
16 made in connection with the false advertising  
17 statement. That's what that figure represents, and  
18 that's how I determined it.

19 Q. (By Mr. Riehl) Okay. And to determine  
20 that figure, you did not analyze whether those  
21 sales would have occurred but for the false  
22 advertising statements, right?

23 MR. MILLER: Objection to form. Asked  
24 and answered.

25 THE DEPONENT: Generally, I would agree

1 with that. I identified the sales that are at  
2 issue, the sales that were made in connection with  
3 the false advertising statement. I'm not opining  
4 or putting forth the opinions that none of those  
5 sales would have occurred but for. After I  
6 identified the sales, then it's subject to further  
7 scrutiny and analysis.

8 Q. (By Mr. Riehl) In your reports, you did  
9 not present analysis of how many of the trades of  
10 Nike and Jordan shoes on StockX that actually  
11 occurred would not have occurred if StockX had not  
12 made the advertising statements at issue, right?

13 MR. MILLER: Objection. Asked and  
14 answered.

15 THE DEPONENT: Maybe I'm -- I'm failing  
16 to appreciate that that's not the same question  
17 that you just asked and I have answered, which is I  
18 identified the sales that were made in connection  
19 with the false advertising statement, and that's  
20 the starting point of the analysis.

21 Q. (By Mr. Riehl) Sure.

22 Previously I asked what you did, but now  
23 I'm asking about another thing to see if you did  
24 that other thing.

25 And that other thing is: Did you present

1 analysis of how many of the sales of Nike sneakers  
2 on StockX would not have occurred if StockX had not  
3 made the advertising claims at issue?

4 MR. MILLER: Objection to form. Asked  
5 and answered.

6 Counsel, this is starting to become  
7 inappropriate, bordering on harassing, the same  
8 question.

9 MR. RIEHL: I -- this question --

10 MR. MILLER: Would you like me to go back  
11 and review how many times you've asked it --

12 MR. RIEHL: This --

13 MR. MILLER: -- and how many times he's  
14 answered it?

15 MR. RIEHL: Couns- --

16 MR. MILLER: I can do that.

17 MR. RIEHL: Counsel, you've made your  
18 point. This is definitely not harassing. I have  
19 not asked this question before. I asked --

20 MR. MILLER: Yeah, you have.

21 MR. RIEHL: I asked an adjacent question,  
22 Counsel.

23 MR. MILLER: You have been asking it --  
24 the same -- the same time --

25 MR. RIEHL: You --

1 MR. MILLER: -- with slightly --

2 MR. RIEHL: The record is what it is.

3 MR. MILLER: -- different words --

4 MR. RIEHL: You -- Counsel, please.

5 MR. MILLER: -- expecting a different  
6 answer.

7 Q. (By Mr. Riehl) Please answer the  
8 question.

9 MR. MILLER: He's already answered your  
10 question.

11 Q. (By Mr. Riehl) You may answer the  
12 question.

13 A. I believe I have already answered this  
14 question, and that's that I didn't and -- I'm not  
15 opining what the level of sales would or would not  
16 have been; that those sales would not have been  
17 made but for the alleged false advertising. So  
18 it's the same -- the same answer to the question  
19 you previously asked.

20 Q. (By Mr. Riehl) And in your reports, you  
21 estimated that StockX's total revenue from trades  
22 of Nike/Jordan shoes with the U.S. component during  
23 the relative period -- relevant period was  
24 [REDACTED] right?

25 A. That's correct.



1 Q. And in your reports, you did not present  
2 any analysis of how much of that revenue StockX  
3 would have generated even if it had not made the  
4 advertising statements at issue, right?

5 MR. MILLER: Objection.

6 THE DEPONENT: That's not the manner in  
7 which I conducted the analysis. I have described  
8 what that number reflects already.

9 Q. (By Mr. Riehl) Right.

10 And so you did not present analysis of  
11 whether that number would have been lower without  
12 the advertising statements at issue, right?

13 MR. MILLER: Objection.

14 THE DEPONENT: That would be inconsistent  
15 with the purpose of identifying the sales that were  
16 made in connection with the false statements.

17 Q. (By Mr. Riehl) Whether or not it would  
18 be inconsistent, you didn't do it, right?

19 MR. MILLER: Objection.

20 THE DEPONENT: As I previously stated,  
21 that's not the basis for that number.

22 Q. (By Mr. Riehl) I'm not asking, right  
23 now, about the basis for the number.

24 I'm asking you: Did you present any  
25 analysis of whether that [REDACTED]

1 revenue would have been lower if StockX had not  
2 made the advertising statements at issue?

3 MR. MILLER: Objection. Asked and  
4 answered. That's the third time on that particular  
5 variation of this question, Counsel.

6 Q. (By Mr. Riehl) You may answer the  
7 question.

8 A. I haven't opined, and I'm not opining,  
9 that these sales would not have been made but for  
10 the false advertising statement. There are issues  
11 of apportionment that have been set forth. I do  
12 have comments and analysis and opinions related to  
13 the issue of apportionment. But for purposes of  
14 the [REDACTED], that's the at-issue revenue as  
15 agreed to between Dr. Vigil and myself.

16 (Exhibit 14 was marked for identification  
17 by the Court Reporter and is attached hereto.)

18 Q. (By Mr. Riehl) The reporter has handed  
19 you Deposition Exhibit 14, which I will represent  
20 is your first rebuttal report in this case.

21 Does it look to you like your first  
22 rebuttal report in this case?

23 A. It does.

24 Q. Please turn to page 10.

25 Do you see the section heading at the top

1 authentication capabilities were removed, right?

2 MR. MILLER: Objection to form.

3 THE DEPONENT: You read that correctly,  
4 yes.

5 Q. (By Mr. Riehl) And you also, in your  
6 reports, did not describe any consumer testing you  
7 had done to demonstrate whether or not consumers  
8 who would purchase products from StockX if false  
9 and/or misleading statements about authentication  
10 capabilities were removed, right?

11 MR. MILLER: Objection.

12 THE DEPONENT: I refer to and cite to a  
13 number of different pieces of evidence related to  
14 authentication and the importance of authentication  
15 and having goods certified as authentic, but those  
16 weren't consumer studies, per se, performed by me.  
17 That's contemporaneous evidence from the record.

18 Q. (By Mr. Riehl) And were any of those  
19 studies, consumer testing, to demonstrate whether  
20 or not consumers would purchase products from  
21 StockX if false and/or misleading statements about  
22 its authentication capabilities were removed?

23 MR. MILLER: Objection to form.

24 THE DEPONENT: They related to the  
25 importance of certain features, including customers

1 relevant?

2 MR. MILLER: Objection to form.

3 THE DEPONENT: That's not a question I  
4 have tried to answer, again, because it's not  
5 relevant for purposes of the disgorgement analysis  
6 that I have set forth and the work I've performed,  
7 and I am not aware, separately, of any information  
8 in that regard.

9 Q. (By Mr. Riehl) So you are saying whether  
10 there are StockX buyers who don't believe StockX's  
11 allegedly false advertising claims is not relevant  
12 to the disgorgement analysis?

13 MR. MILLER: Objection to form.

14 THE DEPONENT: It wasn't relevant for  
15 purposes of identifying the sales that were subject  
16 to or in connection with a false statement.

17 Q. (By Mr. Riehl) Is it relevant to the  
18 disgorgement analysis?

19 MR. MILLER: Objection to form.

20 THE DEPONENT: Not that I have seen  
21 anyone allege at this point.

22 Q. (By Mr. Riehl) And aside from what you  
23 have seen people allege, do you have a view about  
24 whether or not it's relevant?

25 MR. MILLER: Objection to form.

1 Can you look at paragraph 33 of your  
2 second rebuttal report, please.

3 In the sentence is where you say  
4 Dr. Vigil applies Ms. Butler's survey results even  
5 though he also relies upon contemporaneous StockX  
6 surveys that contradicts those results, right?

7 A. That's what I state.

8 Q. And then you -- the evidence you cite for  
9 that in some other propositions is in footnote 43;  
10 is that right?

11 A. Yes, for this particular footnote. It's  
12 an issue that's addressed in various places  
13 throughout my reports.

14 Q. And Deposition Exhibit 17 is one of the  
15 documents you cited in footnote 43 as a survey that  
16 contradicts Ms. Butler's survey results, right?

17 A. I do identify this document, yes.

18 Q. And you identify it as a document that  
19 contradicts Ms. Butler's survey results, right?

20 A. It's part of that sentence.

21 Q. Deposition Exhibit 17 is not a survey  
22 that measured the effects of specific StockX  
23 advertising statements, right?

24 MR. MILLER: Objection to form.

25 THE DEPONENT: It's a customer survey

1 that considers various purchase drivers, and it  
2 tests purchase drivers, which may relate to  
3 marketing or advertising information, and this  
4 would be the type of thing that would inform StockX  
5 and their business judgments in how to market and  
6 sell their products.

7 Q. (By Mr. Riehl) But this survey didn't  
8 test whether StockX's sales were higher or lower  
9 because of any particular advertising statements,  
10 right?

11 MR. MILLER: Objection to form.

12 THE DEPONENT: I wouldn't characterize it  
13 like that. It certainly talks about purchase  
14 drivers, which would relate to driving sales and  
15 purchases.

16 Q. (By Mr. Riehl) It doesn't quantify the  
17 effect of any StockX advertising statements, right?

18 A. Yes. It's my understanding it wasn't  
19 designed to test sales with and without a  
20 particular statement.

21 Q. And so there is no inconsistency between  
22 this survey, which didn't test, in a quantifying  
23 sense, the effect on sales and Ms. Butler's survey,  
24 right?

25 MR. MILLER: Objection.

1 StockX would retain its popularity if its false  
2 and/or misleading statements to consumers about  
3 authenticity were removed, right?

4 MR. MILLER: Objection to form.

5 THE DEPONENT: Within the context of  
6 critiquing Dr. Vigil's identification of issues in  
7 this as reasons for purchasing, so purchase  
8 drivers.

9 Q. (By Mr. Riehl) Are you done answering?

10 A. Yes.

11 Q. Okay. And within that context, you said,  
12 in your first amended expert report, that  
13 Deposition Exhibit 18 does not test the issue of  
14 whether StockX would retain its popularity if its  
15 false and/or misleading statements to consumers  
16 about authenticity were removed, right?

17 MR. MILLER: Objection to form.

18 THE DEPONENT: I agree with that.

19 Q. (By Mr. Riehl) And in footnote 37, you  
20 also cite Deposition Exhibit 17, right?

21 MR. MILLER: Counsel, can you just  
22 clarify which report you're referring to, that  
23 paragraph -- I'm sorry, footnote 37?

24 MR. RIEHL: Yes. The same footnote 37  
25 we've been looking at in Mr. Hansen's expert

1 rebuttal report.

2 MR. MILLER: Thank you.

3 THE DEPONENT: I do identify Exhibit 17  
4 as well.

5 Q. (By Mr. Riehl) Okay. So in the same  
6 context you just referred to, in your expert  
7 rebuttal report, you stated that Deposition  
8 Exhibit 17 does not test the issue of whether  
9 StockX would retain its popularity if its false  
10 and/or misleading statements to consumers about  
11 authenticity were removed, right?

12 MR. MILLER: Objection.

13 THE DEPONENT: Yeah, that's part of my --  
14 as I said, my evaluation of Dr. Vigil's  
15 apportionment positions where his opinion appears  
16 to be based on speculation about whether or not  
17 StockX would retain its popularity due to the other  
18 purchase drivers that are identified, so this  
19 wasn't designed specifically to answer that  
20 question. I don't think he can use it as a basis  
21 to answer that specific question; although, it  
22 certainly goes to the importance of authentication  
23 to consumers as a purchase driver.

24 Q. (By Mr. Riehl) And because Deposition  
25 Exhibit 17 and Deposition Exhibit 18 do not test



1 the issue of whether StockX would retain its  
2 popularity if its false and/or misleading  
3 statements to consumers about authenticity were  
4 removed, those surveys cannot contradict any aspect  
5 of Ms. Butler's survey that does test whether  
6 StockX would retain its popularity if its false  
7 and/or misleading statements to consumers about  
8 authenticity were removed, right?

9 MR. MILLER: Objection to form.

10 THE DEPONENT: I don't agree with that.

11 MR. RIEHL: Let's look at another one.

12 (Exhibit 19 was marked for identification  
13 by the Court Reporter and is attached hereto.)

14 THE DEPONENT: Thank you.

15 MR. RIEHL: You are welcome.

16 Q. (By Mr. Riehl) The reporter has handed  
17 you Deposition Exhibit 19.

18 This is another survey that, in your  
19 second rebuttal, you say is inconsistent with the  
20 results of Ms. Butler's survey, right?

21 MR. MILLER: Objection.

22 THE DEPONENT: Which paragraph are we  
23 looking at?

24 Q. (By Mr. Riehl) Paragraph 32 of your  
25 second rebuttal.

1           A.     Right.   Okay.   And your question was, is  
2     this a document you identify?

3           Q.     Yeah.

4                   Do you see, in footnote 40, you identify  
5     this document?

6           A.     Yes.

7           Q.     And this also is not a survey that  
8     measured the effects of specific StockX advertising  
9     statements, right?

10           MR. MILLER:   Objection.

11           THE DEPONENT:   I don't believe it was  
12     designed for that specific purpose.   But as I  
13     indicate, one of the questions tested was whether  
14     knowing the good is certified as authentic is the  
15     most important when choosing an on side -- online  
16     resell platform to buy good from -- goods from.   So  
17     that's very aligned with the alleged false  
18     advertising statement in the case.

19           Q.     (By Mr. Riehl)   Please look at the page  
20     with the Bates number ending in -827.   That page  
21     indicates that when the survey participants were  
22     asked, "What is most important to you when choosing  
23     an online reselling platform to buy goods?"

24     66 percent of them chose "Is a website or brand I  
25     can trust," right?